

87<sup>th</sup> Legislative Session – 2012

Committee: Senate State Affairs

Wednesday, February 08, 2012

P - Present  
E - Excused  
A - Absent

Roll Call

P Adelstein  
P Cutler  
P Frerichs  
P Gray  
P Johnston  
P Rave  
P Tieszen  
P Olson (Russell), Vice-Chair  
P Rhoden, Chair

OTHERS PRESENT: See Original Minutes

The meeting was called to order by Senator Larry Rhoden, Chair.

MOTION: TO APPROVE THE MINUTES OF MONDAY, FEBRUARY 6, 2012

Moved by: Rave  
Second by: Olson (Russell)  
Action: Prevailed by voice vote.

SB 174: increase the 911 emergency surcharge, to revise the collection and distribution of the surcharge revenue, to provide for point of sale collection of the prepaid wireless 911 emergency surcharge, and to provide funding for the upgrade of 911 emergency services.

Presented by: Senator Corey Brown (Handout: 1)  
Proponents: Jeff Carmon, Century Link, Sioux Falls  
Daren Ketcham, Sioux Falls, Self  
Ted Ruffedt, Jr., Rapid City, Self  
Robert Johnson, Buffalo, Self

Cheryl Riley, ATT, Cheyenne, Wyo  
Nancy Riedel, Verizon, Cheyenne, Wy.  
Dean Krogman, American Heart Association  
Yvonne Taylor, SD Municipal League  
Fred Lamphere, Belle Fourche, Self  
Staci Eggert, SD Sheriff's Association  
Greg Dean, SD Telecommunications Association  
Andy Gerlach, Department of Revenue  
Trevor Jones, Department of Public Safety  
Bob O'Connell, Sioux Falls Area Chamber of Commerce

MOTION: AMEND SB 174

174fb

On page 1 of the printed bill, delete lines 6 to 9, inclusive, and insert:

" Section 1. That § 34-45-2 be amended to read as follows:

34-45-2. The governing body of a public corporation may by ordinance authorize a 911 emergency reporting system. The ordinance shall include a description of the proposed 911 service area. If the governing body of a public agency had adopted an ordinance authorizing a 911 emergency reporting system which was in effect on January 1, 2012, the ordinance remains in effect for establishing such 911 service area unless amended or repealed by the public agency. Any provision in the ordinance establishing a surcharge is no longer in effect after July 1, 2012."

On page 3, delete lines 20 to 24, inclusive, and insert "Any entity required to collect and remit the surcharge imposed pursuant to § 34-45-4 or section 3 of this Act shall register with the Department of Revenue. There is no registration fee. A registration shall be made upon a form prescribed by the secretary of the Department of Revenue and shall set forth the name under which the applicant transacts or intends to transact business, the location of the place of business, and such other information as the secretary may require.

The department shall issue an identification number to each applicant. This identification number is not assignable and is valid only for the entity to which it was issued. The identification number is valid until canceled or revoked."

On page 4, delete lines 1 to 4, inclusive.

On page 5, line 7, after "collect" insert "the surcharge".

On page 5, line 19, delete "holds a license issued" and insert "is registered".

On page 6, line 1, delete "premise" and insert "business premises".

On page 7, line 8, after "remit" insert "each month".

On page 7, line 10, after "." insert "The secretary of the Department of Public Safety shall approve vouchers and the state auditor shall draw warrants to pay each public agency its share of the distribution.".

On page 7, line 13, delete "surcharges" and insert "surcharge".

On page 7, line 14, after "into" insert "the".

On page 8, line 5, after ";" insert "and".

On page 8, delete lines 6 to 9, inclusive, and insert "(2) Transfer seventy-four percent of the money deposited in the fund to the South Dakota 911".

On page 9, line 2, before "three" insert "first".

On page 10, line 22, overstrike "A public safety answering point shall comply with ARSD 50:02:04:02(2)".

On page 11, line 3, delete "by July 1, 2015." and insert "No public safety answering point may be required to comply with the provisions of ARSD 50:02:04:02(2), unless the next generation 911 initiative has been implemented. The board shall determine when the next generation 911 initiative is operational. The board shall notify each public safety answering point not complying with the provisions of this rule when this determination has been made. The public safety answering point shall comply with the provisions of the rule within ninety days.".

On page 12, delete lines 4 to 21, inclusive, and insert:

"

- (1) Makes any false or fraudulent return in attempting to defeat or evade the surcharge imposed by § 34-45-4 or section 3 of this Act is guilty of a Class 1 misdemeanor;
- (2) Fails to pay the surcharge collected pursuant to the provisions of this chapter within sixty days from the date the surcharge becomes due is guilty of a Class 2 misdemeanor;
- (3) Fails to keep the records required by this chapter or refuses to exhibit these records to the Department of Revenue for the purpose of examination is guilty of a Class 2 misdemeanor;
- (4) Fails to file a return required by this chapter within sixty days from the date the return is due is guilty of a Class 2 misdemeanor;

- (5) Willfully violates any rule of the secretary for the administration and enforcement of the provisions of this chapter is guilty of a Class 2 misdemeanor; or
- (6) Fails to submit a 911 emergency surcharge registration after having been notified in writing by the secretary of the Department of Revenue that the person is subject to the provisions of this chapter is guilty of a Class 2 misdemeanor. However, it is not a violation of this subdivision if the person submits a registration and meets all lawful prerequisites for registering within ten days from receipt of written notice from the secretary."

On page 16, line 9, delete "incorporated".

On page 18, line 23, after "findings" insert "of".

On page 19, line 19, after "remit" insert "each month".

On page 19, line 21, after "." insert "The secretary of the Department of Public Safety shall approve vouchers and the state auditor shall draw warrants to pay each public agency its share of the distribution."

On page 20, line 1, delete "surcharges" and insert "surcharge".

On page 20, line 1, after "into" insert "the".

On page 20, delete lines 13 to 19, inclusive, and insert "The Department of Public Safety shall distribute the money deposited in the fund based on the ratio of the population of each eligible public safety answering point to the population of all the eligible public safety answering points."

Moved by: Rave  
Second by: Olson (Russell)  
Action: Prevailed by voice vote.

**MOTION:** DO PASS SB 174 AS AMENDED

Moved by: Olson (Russell)  
Second by: Rave  
Action: Prevailed by roll call vote. (8-0-1-0)

Voting Yes: Cutler, Frerichs, Gray, Johnston, Rave, Tieszen, Olson (Russell), Rhoden

Excused: Adelstein

HB 1046: revise certain provisions regarding child custody during a soldier's deployment.

Presented by: Robert Pasquallcci, Department of Military, Rapid City

Proponents: Royce Loesch, SD American Legion

Opponents: Tom Barnett, State Bar Association of South Dakota

THE CHAIR DEFERRED HB 1046

HB 1049: add certain definitions regarding the Department of the Military.

Presented by: Robert Pasquallcci, Department of Military, Rapid City

MOTION: DO PASS HB 1049

Moved by: Rave

Second by: Frerichs

Action: Prevailed by roll call vote. (8-0-1-0)

Voting Yes: Adelstein, Cutler, Frerichs, Gray, Rave, Tieszen, Olson (Russell), Rhoden

Excused: Johnston

SB 175: increase the number of video lottery machines that may be placed in a licensed establishment.

Presented by: Senator Bob Gray

Proponents: Larry Mann, Video Lottery Establishments of SD

Opponents: Mark Weber, Sioux Falls, Self

Linda Schauer, Concerned Women For America

Dale Bartscher, Family Heritage Alliance Action Inc.

Paul Goetze, Pierre, Self

MOTION: AMEND SB 175

175oa

On page 1, line 7, of the printed bill, after "establishment." insert "If more than ten video lottery machines are placed in a licensed establishment, each video lottery machine in excess of ten machines shall include video lottery game software approved by the commission after July 1, 2011.".

Moved by: Gray  
Second by: Rave  
Action: Prevailed by voice vote.

MOTION: DO PASS SB 175 AS AMENDED

Moved by: Gray  
Second by: Rave  
Action: Prevailed by roll call vote. (7-2-0-0)

Voting Yes: Adelstein, Frerichs, Gray, Johnston, Rave, Tieszen, Olson (Russell)

Voting No: Cutler, Rhoden

SB 180: Proposing and submitting to the electors at the next general election a new section to Article VI of the Constitution of the State of South Dakota, relating to the distinction between the rights of natural persons and artificial entities.

Presented by: Senator Jason Frerichs

MOTION: TO TABLE SB 180

Moved by: Tieszen  
Second by: Rave  
Action: Prevailed by roll call vote. (8-0-1-0)

Voting Yes: Adelstein, Cutler, Frerichs, Johnston, Rave, Tieszen, Olson (Russell), Rhoden

Excused: Gray

SB 182: revise certain provisions concerning tax incremental districts.

Presented by: Senator Stanford Adelstein (Handout: 2)  
Proponents: Mike Houdyshell, Department of Revenue  
Julie Johnson, Absolutely Aberdeen

MOTION: DO PASS SB 182

Moved by: Adelstein  
Second by: Cutler  
Action: Was not acted on.

MOTION: SUBSTITUTE MOTION DEFER SB 182 TO THE 41<sup>ST</sup> LEGISLATIVE DAY

Moved by: Johnston

Second by: Rave

Action: Prevailed by roll call vote. (5-3-1-0)

Voting Yes: Cutler, Frerichs, Johnston, Rave, Tieszen

Voting No: Adelstein, Olson (Russell), Rhoden

Excused: Gray

MOTION: ADJOURN

Moved by: Rave

Second by: Tieszen

Action: Prevailed by voice vote.

Kay Johnson  
Committee Secretary

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Larry Rhoden, Chair